



STATE OF WASHINGTON
DEPARTMENT OF SOCIAL AND HEALTH SERVICES
P.O. Box 45040, Olympia, Washington 98504-5010

December 14, 2009

Dear Community Partners:

At the end of October, the Department supplemental budget proposal was submitted to the Governor — but since then the revenue forecasts came in lower than expected. DSHS as a whole and many of our administrations have felt the impact of financial difficulties even as the Governor has worked to protect those agencies that contribute to health, safety, and economic recovery.

This message follows Governor Chris Gregoire's release December 9 of the state budget. However, the Governor was not pleased with the proposed balanced budget, which she is required by law to balance with projected revenue. The Governor will submit another budget in January which will provide for a combination of budget reductions and new revenue. Even with the approximate \$700 million she has identified as essential services that must be restored, and proposing new revenue sources, the budget cuts will be serious.

The Governor's budget proposal begins the Supplemental Budget process; the Legislature will now work with the Governor to pass a revised biennial budget this spring. However, we must respond as quickly as possible with spending reductions that don't require legislative action and that will need to be taken regardless, as taking action now can minimize future cuts.

Governor Gregoire has worked very hard to protect those state agencies and in turn, our community partners that contribute to health, safety, and economic recovery. Even so, we have all been touched by the impact of the economy over the past two years and despite some signs of recovery, we will continue to feel such an impact for some time.

I have learned in my short tenure with Children's Administration how truly valued and valuable you are in our shared efforts toward improving outcomes for children and families.

I realize that when the Department of Social and Health Services experiences challenges and changes, all of you are impacted as well.

One critical element of Governor Gregoire's charge was the reality that 70 percent of the state budget was federally or constitutionally protected, leaving human services to bear much of the brunt of the biennial budget shortfall.

The Governor prepared an updated budget to cover increasing caseloads while saving an additional five percent over the next two years. We will remain child-centered and family-focused and maintain our top priorities of protecting children from abuse and neglect, helping parents to safely parent their children, and partnering with all of you to provide quality care.

We will work to *safely* reduce the number of children in out-of-home care by utilizing family support services, placing children with relatives if they are unable to return home, and safely reducing the length-of-stay for children in out-of-home care through the achievement of positive permanency outcomes.

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As we look at our service structure, we realize that nearly every service we provide is somehow related to those goals. However, *those services least related to our core purposes were identified for reduction* in order to *retain those services most related to our core work*.

We have identified the following broad service areas as those that will be most dramatically impacted by our updated budget:

- Adolescent Services for youth who are *not* referred to CA due to abuse or neglect.
- Certain preventive services.
- Certain placement services.

Three key changes have been proposed by the Governor:

- **Behavioral Rehabilitation Services** will have reduced funding which offers an opportunity to redesign the program to safely reduce the number of children in out-of-home care. With BRS partners, we will—
 - Safely shorten length of stays in group homes and residential care for youth with behavioral health needs.
 - Safely reduce entries of adolescents with behavioral health needs by providing stabilization, treatment, and wraparound services so they can safely stay home.
 - Move forward with performance-based contracts with BRS providers.
- **Educational Advocacy** will see a 100 percent reduction in allocation for Educational Advocates.
 - CA will work with education and community partners to ensure the educational needs of children in foster care are met.
- **Foster parent maintenance payments** will be reduced by eight percent.

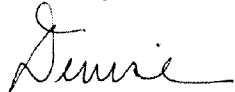
Please take the time to stay informed about further details of our budget by going to the DSHS web site at www.dshs.wa.gov. You will find specifics about cost reductions and program impacts.

Under a separate communication to be sent shortly from Children's Administration program staff, you will learn more about the budget proposals that impact you directly, and when any changes will occur.

Despite the difficulties we face, we have a unique opportunity to find innovative new ways of continuing to improve the child welfare service delivery system in our state.

Thank you for all that you do.

Sincerely,



Denise Revels Robinson
Assistant Secretary
Children's Administration